



Boston City Council

Committee on Ways & Means Report of the Committee Chair

March 11, 2010

The Boston City Council's Committee on Ways & Means held a public hearing on **Monday, March 22, 2010 @ 10:00 a.m.** The hearing was held in the Christopher A. Iannella Chamber on the Fifth Floor of Boston City Hall. The subject of the hearing was:

Docket #0108 - Message and order adopting Chapter 374 of the Acts of 2008 an Act Relative to Certain Health Insurance Options for Municipal Retirees

This matter was sponsored by Mayor Menino and referred to the Committee on Ways & Means on Wednesday, November 11, 2008. Councilor Connolly was in attendance at this hearing. Written testimony of City Council President Michael Ross was read into the record by the Chairman.

Testimony was heard from Sam Tyler, President of the Boston Municipal Research Bureau; Meredith Weenick, Associate Director of Administration & Finance; John Dunlap, Director of Labor Relations, Eugene Pastore, Director of Health Benefits.

I recommend that this Docket OUGHT TO PASS.

Mark Ciommo, Chair
Committee on Ways & Means

CITY OF BOSTON
IN CITY COUNCIL

**An Order Adopting Chapter 374 of the Acts of 2008 –
An Act Relative to Certain Health Insurance Options for Municipal
Retirees**

- Whereas:** M.G.L Chapter 32B, Section 18, is a local option statute that when adopted, requires Medicare-eligible retirees, spouses, and dependents ("retirees") to enroll in a Medicare supplemental plan. The purpose of Section 18 is to shift Medicare-eligible costs from the municipality to the federal government, thereby reducing health care costs of municipalities while providing retirees with comparable health insurance; and
- Whereas:** Chapter 374 of the Acts of 2008, the amendment to Section 18 allows municipalities to apply Section 18 prospectively - only to retirees retiring after date of adoption; and
- Whereas:** the adoption of this statute as currently amended will have no impact on any current retirees of the City of Boston or any future retirees of the City of Boston who are not eligible for Medicare; therefore be it
- Ordered:** That the Boston City Council, as the municipal legislative body, adopts the provisions of Chapter 32B Section 18A, as amended by Chapter 374 of the Acts of 2008; and that this shall become effective immediately upon passage.

**I HEREBY CERTIFY THAT
THE FOREGOING, IF PASSED IN
THE ABOVE FORM, WILL BE IN
ACCORDANCE WITH LAW.**


WILLIAM F. SINNOTT
CORPORATION COUNSEL MAC



CITY OF BOSTON • MASSACHUSETTS

OFFICE OF THE MAYOR
THOMAS M. MENINO

November 18, 2008

TO THE CITY COUNCIL

Dear Councilors:

I am asking you to adopt M.G.L. Chapter 32B, Section 18 as amended. This local option statute would require future retirees of the City of Boston, who are eligible for Medicare, to enroll in health plans that coordinate with Medicare. The adoption of this statute will have no impact on any current retirees of the City of Boston or any future retirees of the City of Boston who are not eligible for Medicare.

This statute has been adopted by cities and towns throughout the Commonwealth in order to leverage the full benefits of the federally-funded Medicare program. The adoption of this new version of section 18 is a financially sound reform that is consistent with the City's goal to reduce escalating health care costs. Shifting a significant portion of these costs to the federal Medicare program will reduce annual health insurance costs as well as the City's future liabilities.

Sincerely,

Thomas M. Menino
Mayor of Boston